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USDOC FOR 532/OEA/LHINES/DFARROW
USDOC FOR 3132 FOR FCS/OIO REGIONAL DIRECTOR WILLIAM
ZARIT
BICE FOR OFFICE OF STRATEGIC INVESTIGATIONS

SIPDIS

E.O. 12958: N/A
TAGS: BMGT BEXP HK ETRD ETTC
SUBJECT: EXTRANCHECK: POST SHIPMENT VERIFICATION:
SENGITAL LTD.

REF: A) USDOC 04720

- 1.Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.
- 12. As per reftel A request and at the direction of the Office of Enforcement Analysis (OEA) of the USDOC Bureau of Industry and Security (BIS), Export Control Officer Philip Ankel (ECO) and FCS Vice Consul Tyler Warren conducted a post shipment verification (PSV) at Sengital Ltd. (Sengital), Unit 207, Building 5, No. 6 Science Park West Avenue, Hong Kong. The items in question are hybrid integrated circuits exported to Sengital on June 6, 2006 and valued at USD 16,500. The ECCN listed on the SED is 7A994 and these items are controlled for anti-terrorism reasons. The exporter is Kionix Inc. of Ithaca New York.
- 13. The ECO and Vice Consul Warren visited Sengital on October 27, 2006 and met with Mr. Alan Lam, Chief Technical Officer of Sengital. Mr. Lam provided background on Sengital and its business, which includes design and production of controllers for video games (more background can be found at www.Sengital.com).
- 14. Mr. Lam stated that the integrated circuits had been used in the production of hand held video game controllers sold under the brand name E-Dimensional (www.edimensional.com). These were produced at Sengital's contract manufacturing facility in Shenzhen. The integrated circuits supplied by Kionix include motion sensing features which allows their use, in this instance, in video game controllers that translate user motion into computer action.
- 15. At the time visited, Sengital appeared to be a suitable recipient of the commodities shipped since Sengital cooperated with the PSV and provided all requested information concerning the use and final disposition of the items. At the same time, the ECO and Vice Consul Warren were not able to inspect the subject items as they had already been incorporated into video game controllers. Consistent with guidance on reporting of PSVs where the items cannot be physically inspected, the ECO and Vice Consul Warren recommend that this PSV be classified as Limited.